

ANNUAL GOVERNANCE STATEMENT

2017-18

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What is Governance?

Governance is about how we ensure that we are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. Good governance leads to:

- effective leadership
- good management
- good performance
- good stewardship of public money
- good public engagement, and
- good outcomes for our citizens and service users.

The governance framework comprises the culture, values, systems and processes by which an organisation is directed and controlled. The framework brings together an underlying set of legislative requirements, good practice principles and management processes. A diagram chart of the governance framework is on page 5.

Stockport Metropolitan Borough Council acknowledges its responsibility for ensuring that there is a sound system of governance within the Council and to ensure it can rely on processes that provide assurance over its wholly owned companies. The Council has developed a Local Code of Corporate Governance that defines the principles that underpin the governance of the organisation. The Local Code forms part of the Council Constitution and can be accessed on the Council's website www.stockport.gov.uk or can be obtained from the Head of Internal Audit, Risk and Insurance on 0161 474 4033.

The Council's governance framework aims to ensure that in conducting its business it:

- Operates in a lawful, open, inclusive and honest manner;
- Makes sure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively;
- Has effective arrangements for the management of risk;
- Secures continuous improvements in the way that it operates.

What is the Annual Governance Statement?

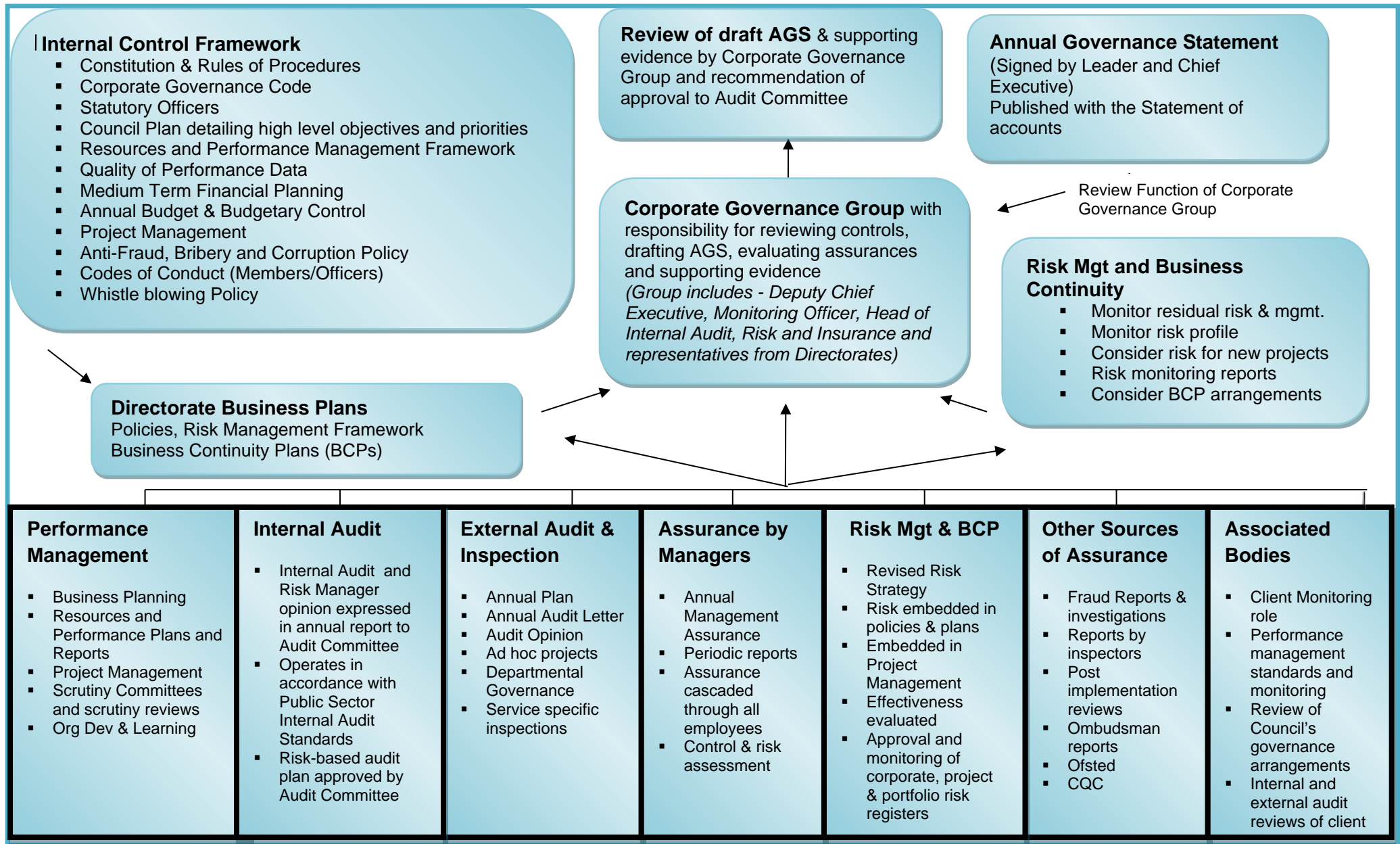
Each year, in line with the requirements of the Accounts and Audit Regulations 2015, the Council produces an Annual Governance Statement that explains how it manages its corporate governance arrangements, makes decisions, manages its resources and promotes values and high standards of conduct and behaviour.

In this document, the Council:

- Summarises its assessments of the effectiveness of the key elements of its governance arrangements, and the roles of those responsible for the development and maintenance of the governance environment;
- Describes how the Council has monitored and evaluated the effectiveness of its governance arrangements in the year;
- Provides details of how the Council has responded to any issues identified in last year's governance statement;
- Reports on any significant governance issues identified from this review and provides a commitment to addressing them.

The annual governance statement reports on the governance framework that has been in place at Stockport Metropolitan Borough Council and its wholly owned companies for the year ended 31 March 2018 and up to the date of approval of the statement of accounts.

Governance Framework



Review of Effectiveness

The Council has a responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within the Council and its group companies who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit, Risk and Insurance's annual report, and also by comments made by the external auditors and other review agencies and inspectorates. The processes applied and sources of assurance obtained in maintaining and reviewing the effectiveness of governance arrangements is set out in the overall governance framework.

The Corporate Governance Group has responsibility for overseeing the annual review of the governance framework, providing evidence of conformity, as outlined in the Council's Code of Governance and the preparation of this Annual Governance Statement.

The results of the annual review of the effectiveness of the key elements of the Council's governance processes during 2017-18 are set out in the table below.

Principle	Assurances received	Assessment of the effectiveness of key elements of the Council's Governance processes during 2017-18
<p>A.</p> <p>Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</p>	<p>Officers Code of Conduct</p> <p>Code of Conduct for Councillors and Co-opted Members</p> <p>Protocol on Councillor / Officer relations</p> <p>Proper Officer appointments</p> <p>Standards Committee</p> <p>Disciplinary Policy</p>	<p>The Standards committee met once at the start of the year to consider the outcomes of investigations of complaints about councillors and co-opted members, relating to the past year. The conduct of Councillors is monitored throughout the year by the Monitoring Officer and an annual report on the outcomes of complaints will be presented to the Standards Committee in June 2018.</p> <p>A recent Internal Audit report during 2017-18 regarding Members declarations of interests, gifts and hospitality confirmed that adequate arrangements are in place. Such interests, gifts and hospitality continue to be published online and members declare any disclosable pecuniary interests.</p> <p>An Annual Fraud Report has been produced by the Head of Internal Audit, Risk and Insurance which demonstrates the work that the Council has undertaken in the preceding year to tackle identified instances of fraud and whistleblowing allegations and to highlight the proactive levels of work being undertaken. This is presented to the Audit Committee in June/July of each year.</p> <p>The outcomes of complaints investigations regarding service delivery have been reported to the Executive at quarterly intervals throughout the year.</p>

Review of Effectiveness

Principle	Assurances received	Assessment of the effectiveness of key elements of the Council's Governance processes during 2017-18
	<p>Anti-fraud, bribery & corruption policy and strategy</p> <p>Confidential Reporting (Whistleblowing Policy)</p> <p>Anti-money Laundering Policy</p> <p>Corporate Complaints procedure</p> <p>Constitution</p>	<p>The Corporate Leadership Team has consulted with the Monitoring Officer as and when it considers that advice is required to ensure that the Council's decisions accord with the law and Council's constitution. The Council's constitution has been reviewed and recently updated.</p> <p>The Council has a robust process for dealing with whistleblowing issues supported by a clear and concise policy.</p> <p>The Anti-money Laundering Policy has been revised and updated in line with best practice and to reflect the updated requirements as set out in the Money Laundering Regulations 2017.</p> <p>Regular updates on the number and types of complaints received by the Council are reported and discussed by CRMG Scrutiny Committee.</p>
<p>B.</p> <p>Ensuring openness and comprehensive stakeholder engagement</p>	<p>Online, including the Council Website, Twitter, You Tube and Facebook</p> <p>Consultations including Have your say (Council website)</p> <p>Webcasts</p> <p>Borough Plan</p> <p>Area Committees</p>	<p>All Committee meetings have been held in public unless legislation prevents this or allows them not to be and there is considered to be good reason to hold the meeting in private. The Council has webcasts its meetings throughout the year http://stockport.public-i.tv/core/portal/home</p> <p>All meeting dates, agendas and minutes have been published in accordance with legislation and are available on line and in local libraries.</p> <p>The Council Plan has been published on the Council website. Council priorities and spending plans are published in the Council newspaper 'the Review' which is sent annually to all households, with electronic bulletins emailed to subscribers on a monthly basis since October 2016. The Council also engaged with local communities by encouraging publicity via local newspapers and radio stations.</p> <p>The Council continues to engage with all sectors of the community through; Partnership and Community Engagement, Neighbourhood Management engagement and panels, Area Committees, Ward Committees and Scrutiny Committees, and through targeted consultation and engagement. In addition to corporate consultation exercises, directorates conduct specific consultation.</p>

Review of Effectiveness

Principle	Assurances received	Assessment of the effectiveness of key elements of the Council's Governance processes during 2017-18
	<p>Joint committees</p> <p>Neighbourhood Forums</p> <p>Corporate complaints procedure</p>	<p>The Council is represented at regional level through the Greater Manchester Combined Authority (GMCA) and the Association of Greater Manchester Authorities (AGMA). The Leader and Chief Executive played a vital role in ensuring Stockport's interests are represented in key decisions around the regional economy, transport and planning, in addition to delivering the GM Public Service Reform programme.</p>
<p>C.</p> <p>Defining outcomes in terms of sustainable economic, social, and environmental benefits</p>	<p>Council Plan</p> <p>Portfolio Performance & Resources Agreements</p>	<p>The Council has set out a clear statement of its purpose and vision for Stockport within the Council Plan which has been updated and approved by members in February 2018. The Council Plan defines its priorities and outcomes the Council is seeking to achieve for the next 12 months. The Council Plan has been developed and agreed within the context of the Council's budget and underpinned by the Medium Term Financial Plan, Capital Programme and Treasury Management Strategy. The Plan provides a clear basis for corporate and service planning which is carried out in accordance with the Corporate Planning cycle and reported in the Portfolio Performance and Resources Agreement to Scrutiny Committees annually in June/July.</p> <p>The Council used a range of methods to measure and review the achievement of key outcomes. This included carrying out satisfaction surveys and monitoring relevant performance indicators and objectives within plans and strategies. The Council produces comprehensive quarterly Performance and Resources Reports based on delivery of Council priorities, values and goals along with the Council's spending plans and financial position which have been considered by the Council's Corporate Leadership Team, the Executive and Scrutiny committees throughout the year. This ensures that the Council reviews and monitors the achievement of key outcomes within the Council Plan and continues to reflect the needs of its users in order to ensure improvement.</p> <p>Stockport Homes as a wholly owned company of the Council has a vision which is published on its website. The vision outlines its commitments to sustaining thriving neighbourhoods, meeting housing need and supporting vulnerable people. This means taking calculated risks and moving into new areas of business which complement its core services. Stockport Homes present annual plans which are linked to the Council Plan to the Council's Member Committee.</p>

Review of Effectiveness

Principle	Assurances received	Assessment of the effectiveness of key elements of the Council's Governance processes during 2017-18
		<p>Totally Local Company (formerly Solutions SK) as a wholly owned company of the Council presents annual plans and reports which are linked to the Council Plan to the Council's Contributor Committee.</p>
<p>D.</p> <p>Determining the interventions necessary to optimise the achievement of the intended outcomes</p>	<p>Corporate Plan</p> <p>Quarterly and Annual Portfolio Performance & Resources Reports</p> <p>Quarterly and Annual Corporate Performance & Resources Reports</p> <p>Medium Term Financial Strategy</p> <p>Business Case Working Papers reported to the Executive and Scrutiny committees</p>	<p>The Council has processes in place to demonstrate that decision makers follow due process, the decisions are properly documented and taken having regard to all relevant considerations. This is supported by robust options appraisals, risk assessments and consideration of the impact of decisions on delivery of outcomes. The Council actively consults with stakeholders and service users when making decisions about service improvements, changes to service delivery or proposing any reductions to service delivery. All of this is supported by effective service planning, budget planning and performance planning processes, which are underpinned by the Medium Term Financial Strategy. This is evidenced through the recent use of business cases to develop a balanced budget for 2018-19 which were consulted upon.</p> <p>The Council, Executive and Committee meetings are open to the public and the vast majority of decisions are made in open session and are formally recorded and published. The Council has an effective scrutiny function via five scrutiny committees and a scrutiny co-ordination committee which encourages constructive challenge and enhances the management of the Council's performance in service areas and overall. The scrutiny function is also enhanced by joint scrutiny arrangements, principally with local health bodies.</p> <p>Elected Members are collectively responsible for the governance of the Council. Decision making and scrutiny of these decisions are separated through the executive arrangements and reflects the legislative arrangements for defining executive and non-executive functions.</p> <p>Monitoring arrangements via the Council's Member Committee and Contributor Committee was in place during the year. Stockport Homes presented performance updates and delivery plan outcomes reports to the Member Committee during 2017-18. Totally Local Company presented financial and strategic updates to the Contributor Committee during 2017-18.</p>

Review of Effectiveness

Principle	Assurances received	Assessment of the effectiveness of key elements of the Council's Governance processes during 2017-18
<p>E.</p> <p>Developing the entity's capacity, including the capability of its leadership and the individuals within it</p>	<p>Members' Training Plan</p> <p>Members' Induction Process</p> <p>Corporate Induction Procedure</p> <p>Employees Personal Development Review</p> <p>Absence Management Policy</p> <p>Apprenticeship scheme</p>	<p>A corporate Member's induction programme is in place which has been signed off by the Corporate Leadership Team and the Member Learning and Development Group. Training for Members includes the member code of conduct, personal safety and procedures.</p> <p>The Council supports member development in different ways including a comprehensive induction programme for new Councillors, new Executive Councillors and new Committee Chairs, bespoke training for individual political groups, attendance at conferences aligned with the member's particular responsibilities. In particular the Council fund a number of Executive Councillors and spokespersons from the main opposition group on the LGA Leadership Programme. Training in relation to Audit and Treasury Management is also provided annually to Executive Councillors and members of the Audit and Corporate, Resource Management and Governance Scrutiny Committee.</p> <p>All employees are required to have a Personal Development Review on an annual basis. A competency framework is in place for officers. The Council has an 'Employees Handbook' which brings together a range of conditions of service into a single resource. This handbook is complemented by a Manager's Handbook and forms the basis of a revised management induction and management development package.</p>
<p>F.</p> <p>Managing risks and performance through robust internal control and strong public financial management</p>	<p>Corporate Risk Register considered by CLT and CCG and reported to Audit Committee</p> <p>Risk Registers contained within Portfolio Performance and Resources Agreements and Reports and considered by Scrutiny Committees</p>	<p>Decision making is supported by risk management arrangements. The Corporate Governance Group (CGG) monitors the development and maintenance of a Corporate Risk Register and the Corporate Leadership Team receive regular in-year updates on the management of risks within the Corporate Risk Register.</p> <p>An effective Audit Committee is in place which is independent of the Executive and whose purpose is to provide independent assurance of the adequacy of the internal control environment, and to oversee the financial reporting process. The Internal Audit and Risk Manager supports the Audit Committee and reviews its effectiveness on an annual basis. The Chair of the Audit Committee produces an Annual Report that demonstrates the value added by the Committee over the previous year. The Internal Audit function operates in line with the Public Sector Internal Audit Standards for Local Government and the Internal Audit Plan is based on the high risks reported within the risk registers.</p>

Review of Effectiveness

Principle	Assurances received	Assessment of the effectiveness of key elements of the Council's Governance processes during 2017-18
	<p>Annual Head of Internal Audit Opinion Report</p> <p>Totally Local Company ARAC committee meetings</p> <p>Stockport Homes Board meetings</p>	<p>Underpinning the Council's financial and operational management arrangements is a regulatory framework comprising Financial Procedure Rules, Contract Procedure Rules, and risk based audit reviews of systems and procedures across the full range of Council operations on behalf of the S151 officer. The Constitution is clear that management have the responsibility for operating a sound system of internal control. Concerns regarding non-compliance with rules, policies, procedures or legislation can be reported through channels set out in the Anti-Fraud, Corruption and Bribery Strategy/Policy and Confidential Reporting Procedure (Whistleblowing Policy) and a Fraud and Irregularities Panel has the remit to deal with these. In addition the Council's arrangements for providing economy, efficiency and effectiveness are reviewed by the external auditors on an annual basis and this is reported and published on the Council's website.</p> <p>The Annual Head of Internal Audit Report will be considered by the Audit Committee in July 2018 and the overall opinion on the level of assurance discussed.</p> <p>Each year within Stockport Homes, business planning sessions are held with managers and Board Members and a risk register is compiled. This ensures that existing risks are reviewed and new risks are identified and 'owned'. Risk control actions are assigned to service managers and progress against implementation is monitored on a quarterly basis. Quarterly Risk Working Group meetings are held by a cross-directorate group of senior managers. These monitor the corporate risk register, identify emerging risks and discuss wider risk issues which affect the organisation. The Risk Register is supported by a list of the 'top ten' risks which are reported quarterly to the Stockport Homes' Board. The Board has ultimate responsibility for the effective management of risk.</p> <p>Totally Local Company has an Audit, Risk and Advisory Committee (ARAC) and risk management processes are robust, and a strategic risk register is discussed at each ARAC committee. Operational risks are captured in separate risk registers.</p>
<p>G.</p> <p>Implementing good practices in transparency,</p>	<p>Webcasts</p> <p>Executive reports</p>	<p>The Council publishes a wide range of information on its website, with the aim of increasing transparency and accountability. Much of this is published in an 'open data' format to enable re-use by interested parties, and the Council is committed to meeting the standards set out in the Transparency Code of Practice.</p>

Review of Effectiveness

Principle	Assurances received	Assessment of the effectiveness of key elements of the Council's Governance processes during 2017-18
<p>reporting, and audit to deliver effective accountability</p>	<p>Annual Governance Statement 2016-17 progress reports to Audit Committee</p> <p>Internal Audit progress reports</p> <p>Totally Local Company reports to Contributor Committee</p> <p>Stockport Homes reports to Member Committee</p>	<p>The Council has a clear process for dealing with Freedom of Information (FOI) requests from the public. These are logged onto a central system and the Council's Information Governance team coordinate and track progress on all requests to ensure responses are properly co-ordinated and to the right quality, standard and timescales. The Council is also committed to being as transparent as possible and has developed its website further to provide more information to the public.</p> <p>The Council has responded effectively and promptly to implement agreed actions resulting from the work of Internal Audit, external audit and other external inspectorates.</p> <p>Progress made against the issues identified in the 2016-17 Annual Governance Statement action plan was reported to the Audit Committee in November 2017 and February 2018. All 2016-17 issues are strategic and complex, reflecting the continued pace of change and significant financial challenges and continue to remain key governance issues for the Council.</p> <p>The Council published its Annual Report and Statement of Accounts on its website.</p> <p>Monitoring arrangements via the Council's Member Committee and Contributor Committee was in place during the year.</p>

Review of Effectiveness

The 2016/17 annual governance statement contained seven key governance issues. Details of these issues and how they were addressed are provided below.

No.	What the issue was	What we did to address it
1	<p>Health and Social Care Integration (Stockport Together Programme)</p> <p><i>Lack of capacity and funding remain key challenges for the Stockport Together Programme along with continued increasing and expected demand for quality services with limited resources</i></p>	<p>Work remains ongoing to develop the agreement for managing the pooled budget with a view to identifying risk allocation. The Council remains fully engaging in AGMA negotiations re, integrated commissioning going forward.</p> <p>Local partners are considering a risk and benefit share approach, and the finer detail of this approach is being developed.</p> <p>The Council and CCG consultation with the public and stakeholders has been completed and the results independently assessed. Action to take account of the responses in respect of the business cases and their finalisation has been taken.</p> <p>Business cases in respect of new models of care which have been designed to transform integrated working and improve services were established and funding released to enable implementation. Action is in progress to implement the key elements of these business cases.</p>
2	<p>Programme of Reform and achievement of Medium Term Financial Plan (MTFP)</p> <p><i>At a time of significant financial constraints the programme of savings, income generation and reform is a major challenge in terms of budgeting, cost control, performance monitoring and governance</i></p>	<p>Following the 2018/19 Final Local Government Finance Settlement announced by Central Government in February 2018, the forecasts and assumptions underpinning the Council's MTFP have been reviewed and updated accordingly. The MTFP contains forecasts up to the financial year 2022/23 and recognises the significant financial challenges that continue to be faced by the Council over the medium term period.</p> <p>The Council continues to develop its plans and priorities in an open and transparent manner whilst Council services are transformed in readiness for changes to Local Government financing regime and the need for greater self-financing and sustainability going forward. The Council's Corporate leadership team continue to monitor progress on Budget and MTFP issues on a weekly basis. A programme delivery group with representation from directorate transformation leads and key enabling services (such as Finance and HR) meet fortnightly and is supported through Strategy and Reform capacity.</p>
3	<p>Stockport's Programme of Growth</p>	<p>Programme governance and risk management continues to be a major priority across the programme of growth and development. Each major project continues to operate within individual</p>

Review of Effectiveness

No.	What the issue was	What we did to address it
	<p><i>Significant capital investment, strategic and regeneration projects are underway, designed to deliver growth in the economy. This is a major challenge for the Council in terms of cost control, performance monitoring, and governance at a time of declining workforce resources.</i></p>	<p>governance arrangements and the overall programme is overseen through the Town Centre Investment Board and Member engagement through the Town Centre Task Force and scrutiny arrangements. Strong interfaces exist with finance, legal and risk colleagues to ensure all relevant disciplines are engaged in governance arrangements and ongoing project work.</p> <p>Dedicated programme management resources remain in place and additional development expertise has recently been put in place to further supplement the Council's capacity. The liquidation of Carillion PLC, however, poses a challenge to procurement arrangements through the Strategic Property Alliance which are currently being worked through.</p> <p>Key programme milestones have been achieved in the year.</p>
4	<p>Stockport Property Alliance (SPA)</p> <p><i>The SPA is a relatively new and innovative delivery model with ambitious cost savings which need to be closely monitored and controlled</i></p>	<p>The financial insolvency during January 2018 of the Council's property provider (Carillion) has been a significant matter for the SPA.</p> <p>The position regarding Carillion had been monitored closely during the year, with robust business continuity and contingency plans developed. These plans considered how the Council ensure the smooth transition and continuation of services and focus on a number of key areas, including actions that may need to be taken by as full details of Carillion's insolvency take effect. This is an ongoing process with updates provided to the Council's Cabinet and Corporate Leadership Team.</p>
5	<p>Information Governance (IG)</p> <p><i>Ensuring all personal and sensitive information is properly protected and only used for appropriate purposes is still a priority for the Council, particularly during a period of transformation and change</i></p>	<p>In November 2017, the corporate GDPR Implementation Project was officially launched. The Project aims to ensure the Council is GDPR-ready by the deadline of 25 May 2018 and there has already been significant work undertaken to meet this deadline.</p> <p>Workforce Development are currently working with the GDPR Implementation Group to establish the training requirements of GDPR. An e-learning course is under development, which will become the latest Mandatory Training course for all employees to complete.</p> <p>Completion rates for the existing IG awareness module continue to increase, with the majority of each directorate completing the course.</p>

Review of Effectiveness

No.	What the issue was	What we did to address it
		<p>As part of the GDPR Implementation Project an IG framework has been created to ensure oversight and control at a senior level within the Council, with appropriate technical advice provided by the IG Service Manager / Deputy SIRO.</p>
6	<p>Digital capability and capacity</p> <p><i>Improving the Borough's digital capability and capacity is crucial for the success of the Programme of Savings, Income generation and Reform and achievement of the MTFP</i></p>	<p>Members have continued to be briefed on digital capability, capacity and improvements.</p> <p>As evidence of DbD benefits realisation, comprehensive examples of what work has been done, how it benefits residents/users and how it benefits the Council have been compiled. These are underpinned by tangible evidence to demonstrate how the reforms are achieving success.</p> <p>Decisions on where DbD development activities take place continue to be based upon specific criteria to ensure resource is directed in the best manner.</p>
7	<p>Workforce capacity</p> <p><i>At a time of significant financial constraints, the programme of savings, income generation and reform presents a key challenge in terms of reduced workforce capacity and skills impacting on business continuity and ability to meet legal duties / statutory requirements, whilst implementing major change and supporting complex delivery models.</i></p>	<p>A number of key initiatives have been undertaken to address the reduced workforce capacity issues, in particular around sickness absence management, health safety & wellbeing, reward and recognition, improvements to e-learning courses and roll out of employee self-service tools.</p>

Significant Governance Issues

The review of the effectiveness of the Council's governance framework has identified and confirmed the following significant issues that will need to be addressed or continue to be addressed during 2018/19.

Issue	Action proposed during 2018-19	Lead Officer
<p>1. Health and Social Care Integration</p> <p>The complexity of integrating health and social care remain a challenge with regard to funding, performance issues with continued expected demand for quality services with limited resources.</p>	<p>Clear governance and accountability for provider's organisations operating within the provider alliance agreement.</p> <p>Continued operation of Locality Finance Group which oversees the financial position of each partner organisation involved.</p>	<p>Chief Executive/Deputy Chief Executive</p>
<p>2. Property services provider</p> <p>The financial insolvency during January 2018 of the Council's property provider (Carillion) has been a significant matter for the Council.</p> <p>The oversight of contingency plans and management of the property services need to continue into 2018-19 as the impact of Carillion liquidation becomes clearer.</p>	<p>The Council started to develop a detailed contingency plan in summer 2017 when Carillion first made a financial statement to the markets about their trading position. Since then the Council has continued to focus in detail on critical areas that are relevant to ensure the continuation of key property service functions to ensure that the impact of the Carillion liquidation is minimised.</p> <p>The Council will continue with the staged contingency plan until the services are reshaped into new models of delivery.</p> <p>The governance of this is carefully managed through every element of decision making and members are fully briefed prior to progressing any major elements of the detailed contingency plans.</p>	<p>Deputy Chief Executive/Head of Asset Management</p>

Significant Governance Issues

<p>3. Programme of Reform and achievement of Medium Term Financial Plan</p> <p>The Council continues to face significant financial constraints and further demands for significant savings to be made. The programme of savings, income generation and reform continues to be a major challenge in terms of budgeting, cost control, performance monitoring and governance.</p>	<p>The MTFP contains forecasts up to the financial year 2022/23 and recognises the significant financial challenges that continue to be faced by the Council over the medium term period. During 2018/19 the Council will continue to review and update the forecasts and assumptions underpinning the Council's MTFP and review the Council's reserve policy that is integral to the MTFP and investments in the Council's Growth and Reform programme.</p> <p>The Council will continue to develop its plans and priorities in an open and transparent manner whilst Council services are transformed in readiness for changes to the Local Government financing regime and the need for greater self-financing and sustainability going forward. The Council's Corporate leadership team will continue to monitor progress on Budget and MTFP issues on a weekly basis providing oversight, scrutiny and leadership on delivery of the 2018/19 budget position and plans to meet the challenges that the Council faces over the medium term. In addition and in line with best practice and guidance, during 2018/19 the Council's capital strategy will be refreshed.</p>	<p>Chief Executive/Deputy Chief Executive/Borough Treasurer</p>
<p>4. Information Governance</p> <p>Ensuring all personal and sensitive information is properly protected and only used for appropriate purposes is still a priority for the Council, particularly during a period of transformation and change.</p>	<p>A significant programme of work is underway to improve Information Governance controls and ensure compliance with the General Data Protection Regulation from 25 May 2018.</p> <p>These include:</p>	<p>Deputy Chief Executive/Strategic Head of Policy and Information Services</p>

Significant Governance Issues

	<ul style="list-style-type: none">• A full audit of personal data use, informing new retention schedules, Privacy Notices and a Register of Processing Activities• Appointment of a statutory Data Protection Officer and new Information Asset Owner responsibilities for senior staff• A review of third party contractual compliance, and of data processing and information sharing arrangements with key partners• Improvements to key IT systems <p>This work will be on-going throughout the year and is overseen by the Information Risk Board.</p>	
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Conclusion

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Corporate Governance Group and the Audit Committee, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The Audit Committee approved the 2017-18 Annual Governance Statement at their meeting on 18th July 2018.

Our assessment of the effectiveness of our governance arrangements for 2017-18 identified governance issues as outlined in this document. We propose over the coming year to take all appropriate action to address the matters outlined in this Statement and any other issues to further enhance our overall governance and stewardship arrangements. We are satisfied that our plans will address the improvement areas identified in our review of effectiveness. We will monitor their implementation and operation as part of our next annual review.

Cllr Elise Wilson
Cabinet Member for Reform and Governance
Stockport Metropolitan Borough Council

Pam Smith
Chief Executive, Stockport Metropolitan Borough Council

Date: _____

Date: _____